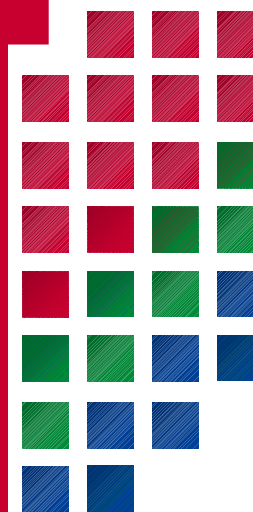


**Financial Highlights  
for the Nine Months Ended December 31, 2021**

**February 14, 2022**



# Japan Post Holdings: Financial Highlights

## ■ Results of Operations for the Nine Months Ended December 31, 2021

(Billions of yen)

|  | Japan Post Holdings<br>(Consolidated) | Subsidiaries                     |                                   |  |
|--|---------------------------------------|----------------------------------|-----------------------------------|--|
|  |                                       | Japan Post Co.<br>(Consolidated) | Japan Post Bank<br>(Consolidated) | Japan Post Insurance<br>(Consolidated) |
| <b>Ordinary income</b>   | <b>8,512.9</b>                        | 2,761.7                          | 1,555.6                           | 4,821.0                                |
| Year-on-year<br>(for the nine months ended<br>December 31, 2020)<br>Change | (187.5)<br>(2.2)%                     | (146.8)<br>(5.0)%                | + 241.9<br>+ 18.4%                | (306.2)<br>(6.0)%                      |
| <b>Net ordinary income</b>   | <b>776.2</b>                          | 113.7                            | 394.5                             | 270.0                                  |
| Year-on-year<br>(for the nine months ended<br>December 31, 2020)<br>Change | + 67.4<br>+ 9.5%                      | (1.9)<br>(1.7)%                  | + 80.6<br>+ 25.6%                 | + 9.2<br>+ 3.5%                        |
| <b>Net income</b>  | <b>403.4</b>                          | 85.1                             | 287.6                             | 119.5                                  |
| Year-on-year<br>(for the nine months ended<br>December 31, 2020)<br>Change | + 13.4<br>+ 3.4%                      | + 4.3<br>+ 5.4%                  | + 61.2<br>+ 27.0%                 | (9.4)<br>(7.4)%                        |

## ■ Forecast for the Fiscal Year Ending March 31, 2022 (Announced in November 2021)

|                            |              |          |         |          |
|----------------------------|--------------|----------|---------|----------|
| <b>Net ordinary income</b> | <b>920.0</b> | 135.0    | 485.0   | 290.0    |
| [percentage achievement]   | [84.4%]      | [84.2%]  | [81.3%] | [93.1%]  |
| <b>Net income</b>          | <b>480.0</b> | 80.0     | 350.0   | 118.0    |
| [percentage achievement]   | [84.1%]      | [106.4%] | [82.1%] | [101.3%] |

Notes: 1. Figures less than ¥0.1 billion are rounded down. The figures of Japan Post Holdings (consolidated) and the combined figures of each subsidiary do not correspond because of other consolidated accounting procedures, etc.

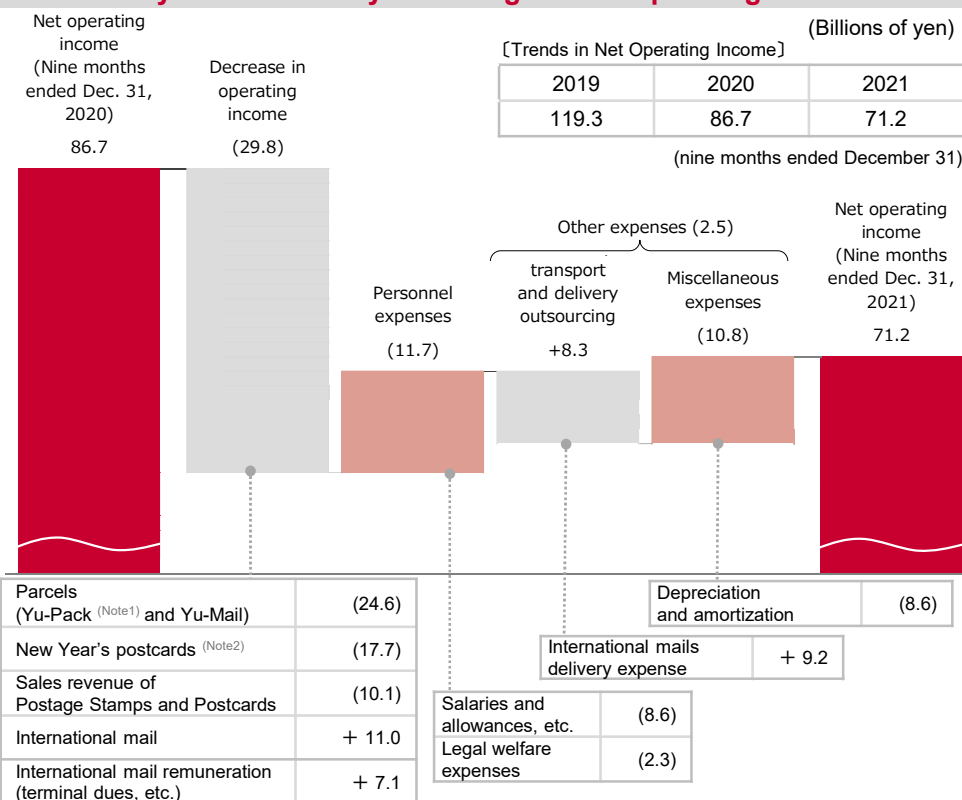
2. The amount of ordinary profit on the consolidated statements of income of Japan Post Insurance has been used for net ordinary income of Japan Post Insurance.

3. The amounts of net income attributable to Japan Post Holdings, net income attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for net income of Japan Post Holdings (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

# Japan Post Co. (Consolidated) [Postal and Domestic Logistics Business]: Financial Results

- The volume of items handled decreased by 1.2% in total year-on-year. Mail decreased by 1.2% and Yu-Mail increased by 2.3%. On the other hand, Yu-Pack (Note 1) decreased by 10.9% year-on-year (including a decline of 18.2% in Yu-Packet), due mainly to a reactionary decline following the increase in stay-at-home consumption in the previous fiscal year.
- Operating income decreased by ¥29.8 billion year-on-year (a decrease of 1.9% year-on-year), with a decrease in income from parcels due to a decline in Yu-Pack (Note 1) volumes as well as a decrease in income from New Year's postcards (Note 2), despite an increase in income from factors such as the resumption of international mail service.
- Net operating income decreased by ¥15.5 billion year-on-year (a decrease of 17.9% year-on-year), although operating expenses also decreased, mainly due to cost control initiatives.

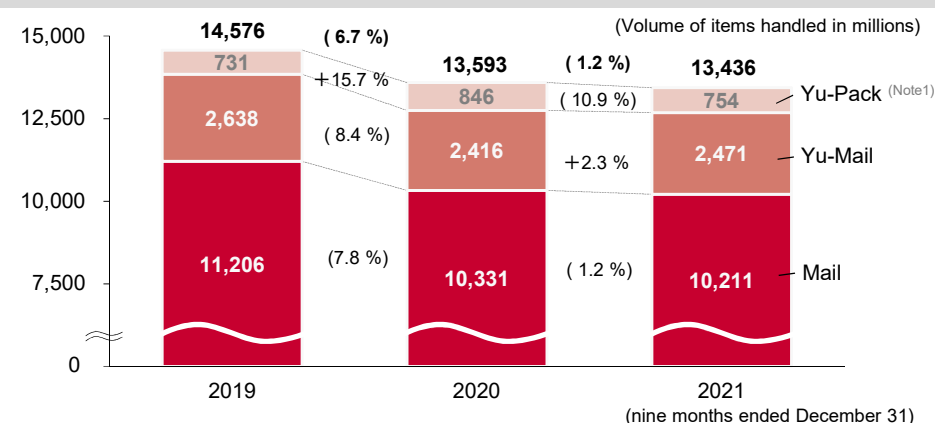
## Analysis of Year-on-year Change in Net Operating Income



Notes: 1. Yu-Pack includes Yu-Packet.

2. Pursuant to the application of a new Accounting Standard for Revenue Recognition, income from New Year's postcards was changed from being recognized on an underwriting basis to being recognized over a certain period of time until delivery is completed (¥9.0 billion was deferred in the fourth quarter).

## Trends in Volume of Items Handled



## Results of Operations for the Nine Months Ended December 31, 2021

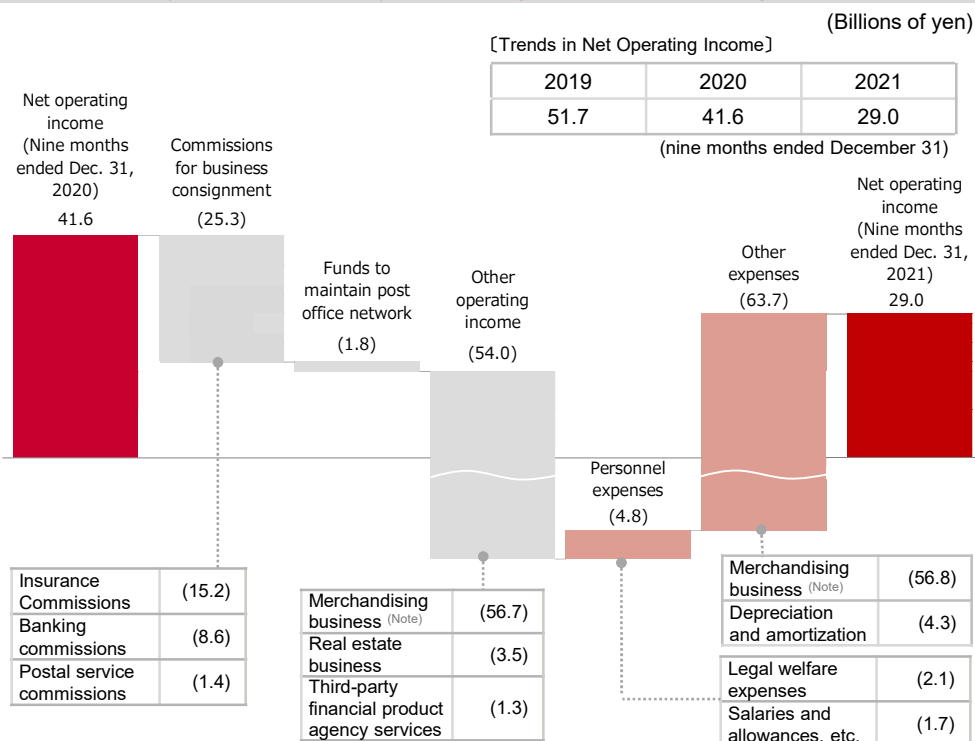
(Billions of yen)

|                             | For the nine months ended Dec. 31, 2021 | For the nine months ended Dec. 31, 2020 | Year-on-year change |
|-----------------------------|---|---|---------------------|
| Operating income            | <b>1,523.4</b>                          | 1,553.3                                 | (29.8)              |
| Operating expenses          | <b>1,452.1</b>                          | 1,466.5                                 | (14.3)              |
| Personnel expenses          | <b>914.9</b>                            | 926.7                                   | (11.7)              |
| Other expenses              | <b>537.2</b>                            | 539.7                                   | (2.5)               |
| <b>Net operating income</b> | <b>71.2</b>                             | 86.7                                    | (15.5)              |

# Japan Post Co. (Consolidated) [Post Office Business]: Financial Results

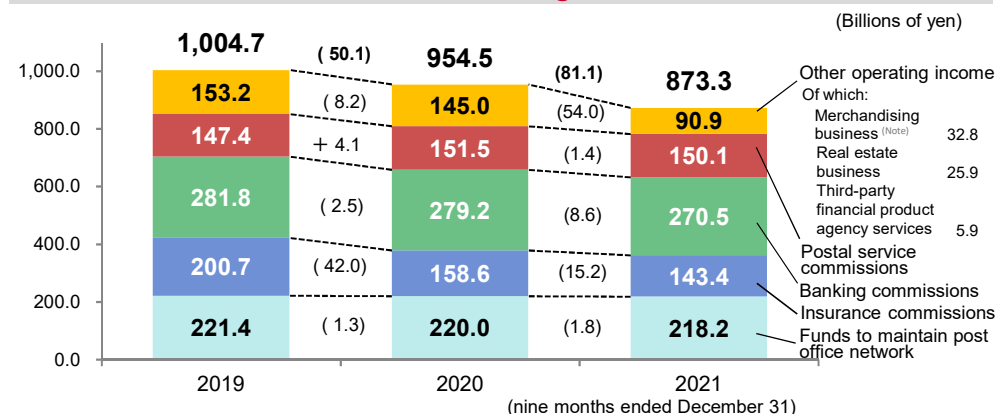
- Operating income decreased by ¥81.1 billion year-on-year (a decrease of 8.5% year-on-year), with a decline in income from the merchandising business due to the impact of the application of a new Accounting Standard for Revenue Recognition <sup>(Note)</sup> and the absence of the income from real estate sales recorded in the previous year, as well as a continuing decrease in insurance commissions and banking commissions.
- Net operating income decreased by ¥12.5 billion year-on-year (a decrease of 30.3% year-on-year), although operating expenses also decreased mainly due to a decrease in other expenses in the merchandising business corresponding to the decrease in operating income. <sup>(Note)</sup>

## Analysis of Year-on-year Change in Net Operating Income



Note: Pursuant to the application of a new Accounting Standard for Revenue Recognition, the amount of income recognized for certain transactions in the Merchandising business, etc. has changed from a gross amount to a net amount (resulting in a reduction of ¥50.4 billion).

## Trends in the Earnings Structure



## Results of Operations for the Nine Months Ended December 31, 2021

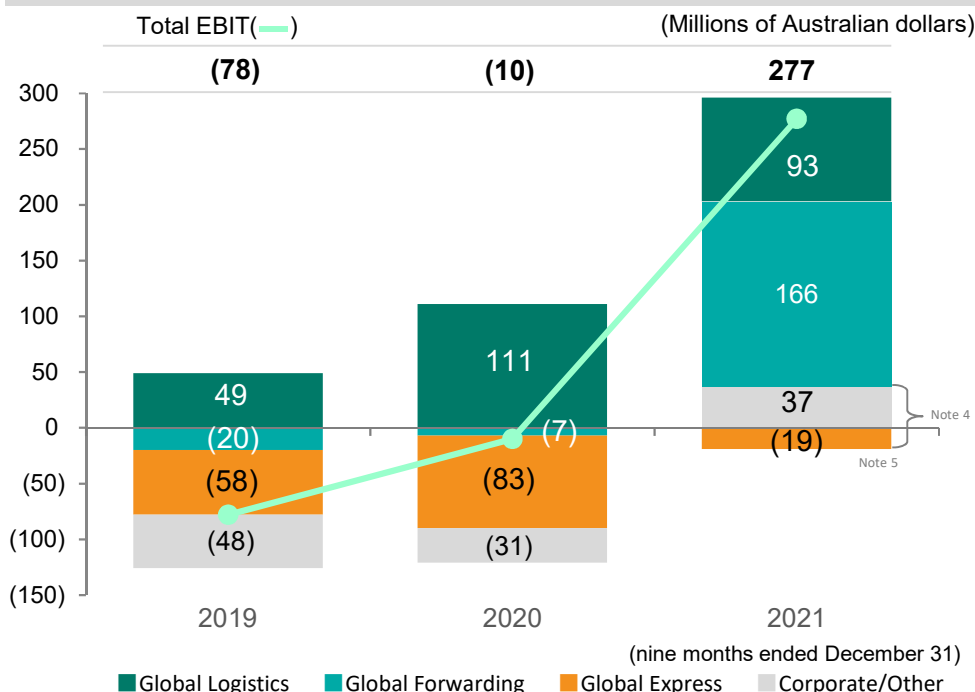
(Billions of yen)

|                      | For the nine months ended Dec. 31, 2021 | For the nine months ended Dec. 31, 2020 | Year-on-year change |
|----------------------|---|---|---------------------|
| Operating income     | 873.3                                   | 954.5                                   | (81.1)              |
| Operating expenses   | 844.3                                   | 912.9                                   | (68.5)              |
| Personnel expenses   | 626.1                                   | 630.9                                   | (4.8)               |
| Other expenses       | 218.2                                   | 282.0                                   | (63.7)              |
| Net operating income | 29.0                                    | 41.6                                    | (12.5)              |

# Japan Post Co. (Consolidated) [International Logistics Business]: Financial Results

- Operating income decreased by A\$1,180 million year-on-year (a decrease of 15.5% year-on-year), due mainly to a decrease in large-scale handling related to COVID-19 by the Global Logistics business and a substantial reduction in income due to the transfer of the Global Express business, despite a continuing increase in the Global Forwarding business due to greater cargo demand.
- Operating expenses also decreased significantly, due mainly to a decline in other expenses corresponding to the decrease in operating income in the Global Logistics business and the reduction in expenses related to the Global Express business, despite an increase in expenses corresponding to the increase in operating income in the Global Forwarding business. Net operating income (EBIT) returned to profit, increasing by A\$287 million year-on-year.

## Trends in Net Operating Income (Loss) (EBIT)



## Results of Operations for the Nine Months Ended December 31, 2021

(Millions of Australian dollars)  
[Billions of yen]

|                                    | For the nine months ended Dec. 31, 2021 | For the nine months ended Dec. 31, 2020 | Year-on-year change |
|------------------------------------|---|---|---------------------|
| Operating income (revenue)         | 6,412<br>[530.3]                        | 7,593<br>[564.1]                        | (1,180)<br>[(33.8)] |
| Operating expenses                 | 6,135<br>[507.3]                        | 7,603<br>[564.9]                        | (1,468)<br>[(57.5)] |
| Personnel expenses                 | 1,558<br>[128.8]                        | 1,944<br>[144.5]                        | (386)<br>[(15.6)]   |
| Other expenses                     | 4,576<br>[378.5]                        | 5,658<br>[420.4]                        | (1,081)<br>[(41.9)] |
| Net operating income (loss) (EBIT) | 277<br>[22.9]                           | (10)<br>[(0.7)]                         | + 287<br>[+ 23.7]   |

- Notes: 1. Operating income (revenue), operating expenses and net operating income (loss) (EBIT) are the total amount of Toll, JP Toll Logistics and Toll Express Japan, respectively.  
 2. Figures for each fiscal year in the above graph have been reclassified due to a partial reclassification of businesses between segments for the fiscal years ended/ending March 31, 2022 and 2021 (total amounts are unchanged).  
 3. Figures in square brackets are presented in billions of yen (Average exchange rate for the nine months ended December 31, 2021: ¥82.70 to A\$1.00 and for the nine months ended December 31, 2020: ¥74.30 to A\$1.00).  
 4. Depreciation and amortization that have been suspended based on IFRS are recorded in net operating income (loss) (EBIT) for the Global Express business for the nine months ended December 31, 2021 (the effect of this is offset through Corporate/Other).  
 5. Income (loss) for the Global Express business only includes the period up to August 2021, due to the completion of the business transfer on August 31, 2021.

# Japan Post Co. (Consolidated): Financial Highlights

- Operating income decreased by ¥145.1 billion year-on-year (a decrease of 5.0% year-on-year, including an increase of ¥59.1 billion attributable to the effect of exchange rate fluctuations).
- Net operating income decreased slightly, by ¥1.0 billion year-on-year (a decrease of 0.9% year-on-year) to ¥119.4 billion, mainly due to a decrease in net operating income in the postal and domestic logistics business and the post office business, despite an increase in net operating income in the international logistics business. Net ordinary income also decreased slightly. Net income increased by ¥4.3 billion (an increase of 5.4%) to ¥85.1 billion due to a decrease in income taxes.

## Analysis of Year-on-year Change in Net Income (Loss)

## Results of Operations for the Nine Months Ended December 31, 2021

[Trends in Net Operating Income]

| 2019  | 2020  | 2021  |
|-------|-------|-------|
| 161.7 | 120.4 | 119.4 |

(nine months ended December 31)

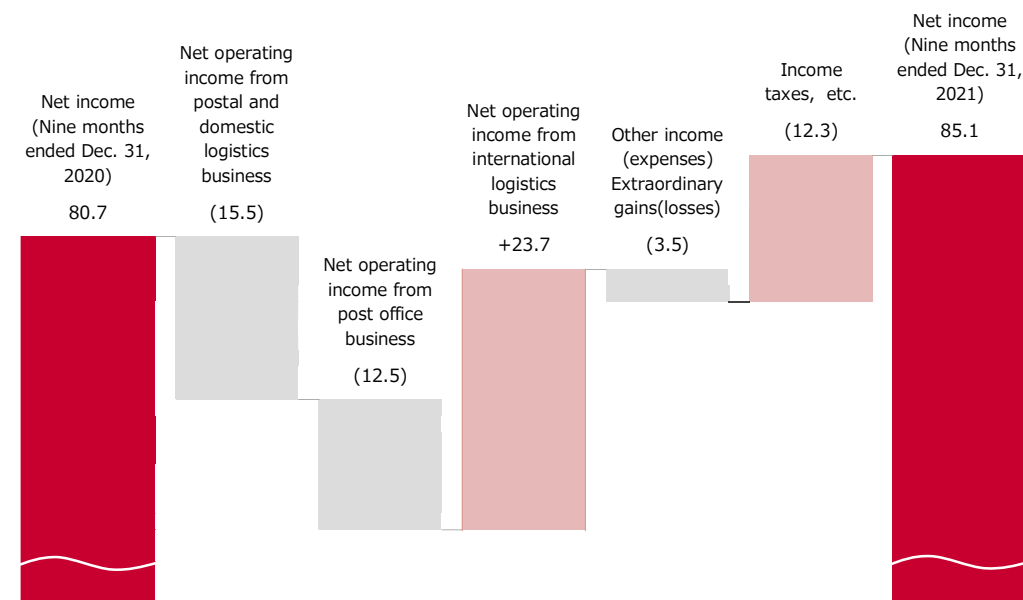
[Trends in Net Income]

| 2019  | 2020 | 2021 |
|-------|------|------|
| 135.9 | 80.7 | 85.1 |

(nine months ended December 31)

(Billions of yen)

(Billions of yen)



|                              | For the nine months ended Dec. 31, 2021 | For the nine months ended Dec. 31, 2020 | Year-on-year change |
|------------------------------|---|---|---------------------|
| Operating income             | <b>2,758.4</b>                          | 2,903.5                                 | (145.1)             |
| Operating expenses           | <b>2,639.0</b>                          | 2,783.0                                 | (144.0)             |
| Personnel expenses           | <b>1,669.9</b>                          | 1,702.2                                 | (32.2)              |
| Other expenses               | <b>969.0</b>                            | 1,080.8                                 | (111.8)             |
| <b>Net operating income</b>  | <b>119.4</b>                            | 120.4                                   | (1.0)               |
| <b>Net ordinary income</b>   | <b>113.7</b>                            | 115.6                                   | (1.9)               |
| Extraordinary gains (losses) | <b>(7.6)</b>                            | (4.8)                                   | (2.7)               |
| Income before income taxes   | <b>106.0</b>                            | 110.7                                   | (4.6)               |
| <b>Net income (loss)</b>     | <b>85.1</b>                             | 80.7                                    | + 4.3               |

# Japan Post Bank (Consolidated): Financial Highlights

## Consolidated Results of Operations for the Nine Months Ended December 31, 2021

(Billions of yen)

|  | For the nine months ended |               | Year-on-year change |
|--|---------------------------|---------------|---------------------|
|  | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Consolidated gross operating profit  | <b>1,052.5</b>            | 1,041.6       | + 10.8              |
| Net interest income  | <b>912.3</b>              | 703.4         | + 208.8             |
| Net fees and commissions   | <b>96.0</b>               | 97.7          | (1.7)               |
| Net other operating income   | <b>44.1</b>               | 240.4         | (196.2)             |
| Gains (losses) on foreign exchanges  | <b>86.4</b>               | 226.1         | (139.7)             |
| Gains (losses) on Japanese government bonds, etc.                                  | <b>(42.5)</b>             | 14.3          | (56.9)              |
| General and administrative expenses <small>(excludes non-recurring losses)</small> | <b>748.5</b>              | 759.1         | (10.6)              |
| Provision for general reserve for possible loan losses                             | <b>0.0</b>                | -             | + 0.0               |
| <b>Consolidated net operating profit</b>   | <b>303.9</b>              | 282.4         | + 21.5              |
| Non-recurring gains (losses)   | <b>90.5</b>               | 31.4          | + 59.1              |
| Net ordinary income  | <b>394.5</b>              | 313.9         | + 80.6              |
| <b>Net income</b>  | <b>287.6</b>              | 226.3         | + 61.2              |

## Overview

- Consolidated gross operating profit for the for the nine months ended December 31, 2021 increased by ¥10.8 billion year-on-year to ¥1,052.5 billion. Net interest income increased by ¥208.8 billion year-on-year, primarily as a result of an increase in income from foreign bond investment trusts and private equity funds. Net fees and commissions decreased by ¥1.7 billion year-on-year. Net other operating income decreased by ¥196.2 billion year-on-year, mainly as a result of a decrease in gains on redemption of foreign bonds.
- Consolidated net operating profit increased by ¥21.5 billion year-on-year to ¥303.9 billion.
- Net income was ¥287.6 billion, a year-on-year increase of ¥61.2 billion.

(Reference <sup>(Note)</sup>)

(%)

|   | As of         |               | Change |
|---|---------------|---------------|--------|
|   | Dec. 31, 2021 | Dec. 31, 2020 |        |
| ROE<br><small>(Shareholders' equity basis)</small>                                  | <b>4.10</b>   | 3.29          | + 0.81 |
| OHR<br><small>(Including net gains and losses on money held in trust, etc.)</small> | <b>65.85</b>  | 71.15         | (5.29) |

Note: Based on the calculation method used for financial targets set forth in the (Japan Post Bank) Medium-Term Management Plan (fiscal years ending March 31, 2022 - 2026):

ROE = net income / [(shareholders' equity at beginning of period + shareholders' equity at end of period) / 2] x 100

OHR = general and administrative expenses / (net interest income, etc. + net fees and commissions) x 100  
Net interest income, etc. refers to interest income after deducting interest expenses (including gains and loss on sales, etc.).

ROE and OHR are calculated based on the figures as of the period ended December 31, 2021, and do not represent the fiscal year ending March 31, 2022.

# Japan Post Bank (Non-consolidated): Net Interest Income, etc.

## Net Interest Income

**Domestic** (yen-denominated transactions) (Billions of yen)

|  | For the nine months ended |               | Year-on-year change |
|--|---------------------------|---------------|---------------------|
|  | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Net interest income                          | <b>321.6</b>              | 368.5         | (46.8)              |
| Interest income                              | <b>356.6</b>              | 417.7         | (61.0)              |
| Interest income on Japanese government bonds | <b>234.0</b>              | 282.6         | (48.5)              |
| Interest expenses                            | <b>35.0</b>               | 49.1          | (14.1)              |

**Overseas** (foreign currency-denominated transactions, yen-denominated transactions with non-residents of Japan) (Billions of yen)

|                                       | For the nine months ended |               | Year-on-year change |
|---------------------------------------|---------------------------|---------------|---------------------|
|                                       | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Net interest income                   | <b>590.4</b>              | 334.7         | + 255.6             |
| Interest income                       | <b>782.8</b>              | 534.1         | + 248.7             |
| Interest income on foreign securities | <b>782.6</b>              | 533.7         | + 248.9             |
| Interest expenses                     | <b>192.4</b>              | 199.3         | (6.8)               |

**Total** (Billions of yen)

|                     | For the nine months ended |               | Year-on-year change |
|---------------------|---------------------------|---------------|---------------------|
|                     | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Net interest income | <b>912.0</b>              | 703.2         | + 208.7             |
| Interest income     | <b>1,073.0</b>            | 880.6         | + 192.3             |
| Interest expenses   | <b>160.9</b>              | 177.3         | (16.3)              |

Note: For a part of interest income and expenses as well as other operating income and expenses, transactions between "domestic" and "overseas" are offset to calculate totals. As a result, the total of each account may not be equal to the combined total of "domestic" and "overseas" of each item.

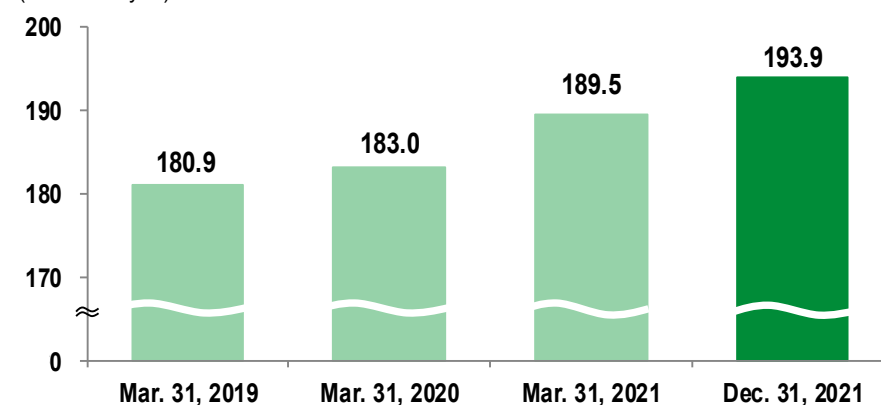
## Net Fees and Commissions

(Billions of yen)

|                                      | For the nine months ended |               | Year-on-year change |
|--------------------------------------|---------------------------|---------------|---------------------|
|                                      | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Net fees and commissions relating to | <b>95.2</b>               | 97.7          | (2.5)               |
| Exchange and settlement transactions | <b>63.6</b>               | 63.5          | + 0.0               |
| ATMs                                 | <b>15.5</b>               | 15.2          | + 0.2               |
| Investment trusts                    | <b>10.5</b>               | 11.1          | (0.6)               |
| Others                               | <b>5.5</b>                | 7.6           | (2.1)               |

## Deposit Balance

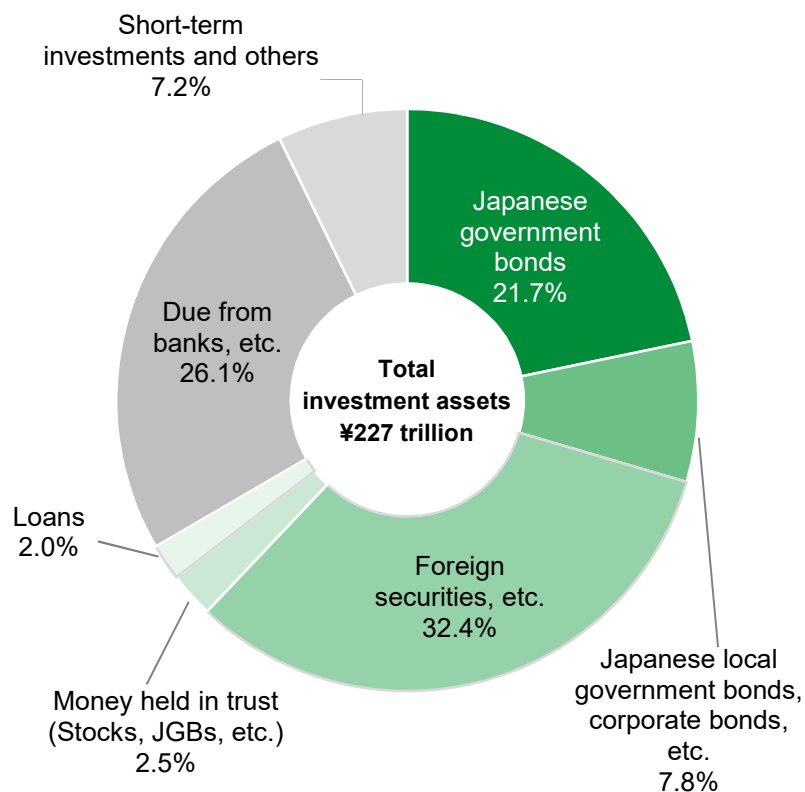
(Trillions of yen)



(as of)



(Billions of yen)



|  | As of Dec. 31, 2021 | Composition ratio (%) | As of Mar. 31, 2021 | Composition ratio (%) | Change    |
|--|---------------------|-----------------------|---------------------|-----------------------|-----------|
| Securities   | <b>140,829.4</b>    | <b>62.0</b>           | 138,183.2           | 62.6                  | + 2,646.1 |
| Japanese government bonds  | <b>49,347.0</b>     | <b>21.7</b>           | 50,493.4            | 22.8                  | (1,146.4) |
| Japanese local government bonds, corporate bonds, etc. <sup>(Note 1)</sup> | <b>17,743.1</b>     | <b>7.8</b>            | 16,522.5            | 7.4                   | + 1,220.6 |
| Foreign securities, etc.   | <b>73,739.2</b>     | <b>32.4</b>           | 71,167.2            | 32.2                  | + 2,571.9 |
| Foreign bonds  | <b>24,213.9</b>     | <b>10.6</b>           | 23,505.1            | 10.6                  | + 708.7   |
| Investment trusts <sup>(Note 2)</sup>                                      | <b>49,438.2</b>     | <b>21.7</b>           | 47,591.1            | 21.5                  | + 1,847.0 |
| Money held in trust  | <b>5,734.3</b>      | <b>2.5</b>            | 5,547.5             | 2.5                   | + 186.7   |
| Domestic stocks  | <b>2,059.2</b>      | <b>0.9</b>            | 2,261.7             | 1.0                   | (202.4)   |
| Loans  | <b>4,656.4</b>      | <b>2.0</b>            | 4,691.7             | 2.1                   | (35.2)    |
| Due from banks, etc. <sup>(Note 3)</sup>                                   | <b>59,376.8</b>     | <b>26.1</b>           | 60,667.0            | 27.5                  | (1,290.2) |
| Short-term investments and others <sup>(Note 4)</sup>                      | <b>16,430.4</b>     | <b>7.2</b>            | 11,505.7            | 5.2                   | + 4,924.6 |
| <b>Total investment assets</b>   | <b>227,027.5</b>    | <b>100.0</b>          | 220,595.4           | 100.0                 | + 6,432.1 |

Notes: 1. "Japanese local government bonds, corporate bonds, etc." consists of Japanese local government bonds, commercial paper, Japanese corporate bonds and Japanese stocks.

2. The major investment target in "Investment trusts" is foreign bonds.

3. "Due from banks, etc." consists of negotiable certificates of deposit, Bank of Japan deposits and monetary claims bought.

4. "Short-term investments and others" consists of call loans and receivables under resale agreements, etc.

# Japan Post Insurance (Consolidated): Financial Highlights

## Results of Operations for the Nine Months Ended December 31, 2021

(Billions of yen, %)

|   | For the nine months ended |               | Year-on-year change |
|---|---------------------------|---------------|---------------------|
|   | Dec. 31, 2021             | Dec. 31, 2020 |                     |
| Ordinary income   | <b>4,821.0</b>            | 5,127.3       | (306.2)             |
| Ordinary expenses   | <b>4,550.9</b>            | 4,866.4       | (315.4)             |
| Ordinary profit   | <b>270.0</b>              | 260.8         | + 9.2               |
| Net income  | <b>119.5</b>              | 129.0         | (9.4)               |
| (Reference) Non-consolidated Financial Highlights                                     |                           |               |                     |
| Core profit   | <b>317.3</b>              | 309.7         | + 7.6               |
| Net capital gains (losses)  | <b>4.2</b>                | (42.0)        | + 46.2              |
| Non-recurring gains (losses)  | <b>(52.5)</b>             | (7.6)         | (44.9)              |
| Ordinary profit   | <b>269.0</b>              | 260.0         | + 8.9               |
| Annualized premiums from new policies (individual insurance)                          | <b>34.4</b>               | 22.3          | + 12.0              |
|   | As of                     |               | Change              |
|   | Dec. 31, 2021             | Mar. 31, 2021 |                     |
| Annualized premiums from policies in force (individual insurance) <sup>(Note 1)</sup> | <b>3,626.5</b>            | 3,898.1       | (271.5)             |
| Solvency margin ratio (consolidated)  | <b>1,106.3</b>            | 1,121.2       | (14.9)              |
| Real net assets (consolidated)  | <b>11,691.2</b>           | 12,081.7      | (390.5)             |

## Overview

- Ordinary profit (consolidated) increased by ¥9.2 billion year-on-year to ¥270.0 billion, mainly due to an improvement in net capital gains (non-consolidated). Core profit (non-consolidated) increased due to an increase in positive spread, despite a decrease in insurance-related income due to factors such as fewer policies in force.
- Net capital gains (non-consolidated) are offset by the reserve for price fluctuations, so net income decreased by ¥9.4 billion year-on-year to ¥119.5 billion.
- Annualized premiums from new policies increased compared with the same period previous fiscal year for both individual insurance and medical care.<sup>(Note 3)</sup>
- Annualized premiums from policies in force for individual insurance and medical care each decreased compared with the end of the previous fiscal year.<sup>(Notes 1 and 3)</sup>
- Solvency margin ratio (consolidated), an indicator of financial soundness, amounted to 1,106.3% and real net assets (consolidated) amounted to ¥11,691.2 billion, reflecting a continuously maintained high level of financial soundness. Internal reserves, which are the sum of contingency reserve and reserve for price fluctuations, amounted to ¥2,626.3 billion.

Notes: 1. Policies in force for individual insurance include those for Postal Life Insurance Policies, which show contracts reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life insurance and Post Office Network.

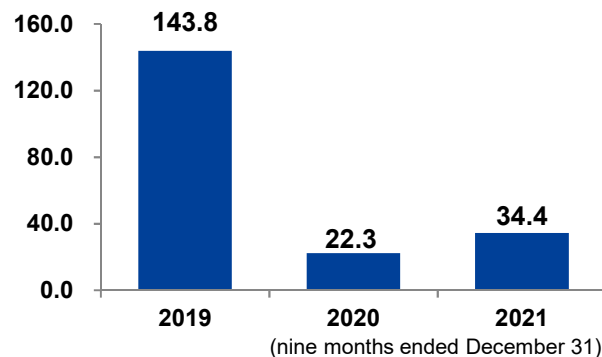
2. Figures less than ¥0.1 billion are rounded down.

3. Please refer to "Status of Insurance Policies" on page 10 for annualized premiums from new policies and policies in force for medical care.

## New Policies

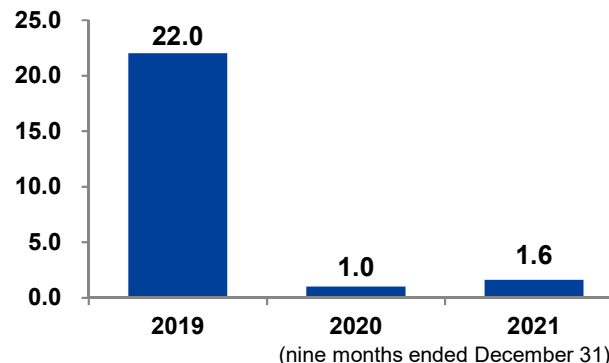
### Annualized Premiums from New Policies (Individual Insurance)

(Billions of yen)



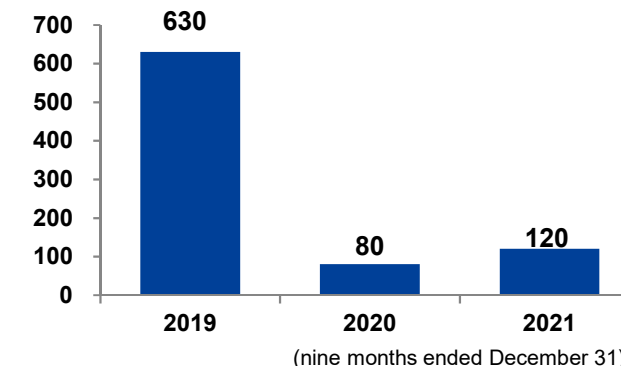
### Annualized Premiums from New Policies (Medical Care)

(Billions of yen)



### Number of New Policies (Individual Insurance)

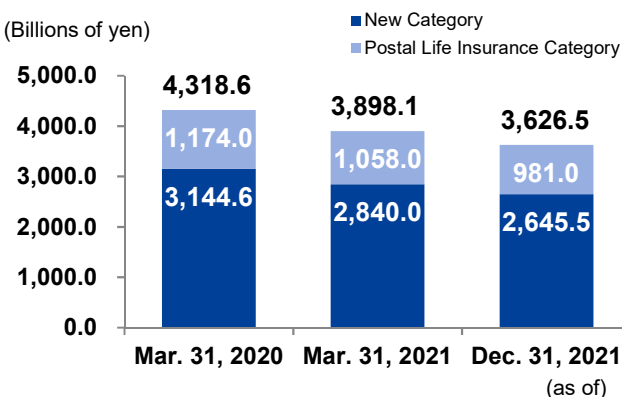
(Policies in thousands)



## Policies in Force

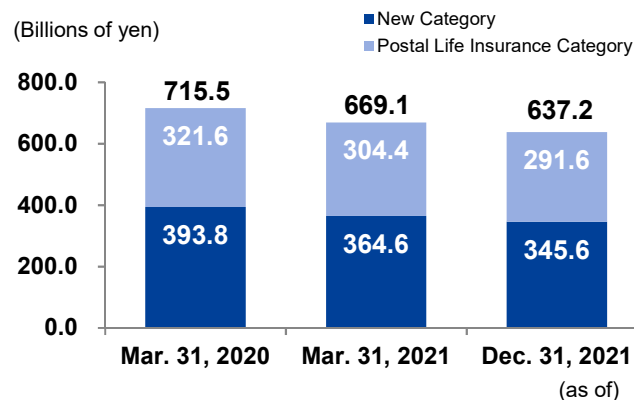
### Annualized Premiums from Policies in Force (Individual Insurance)

(Billions of yen)



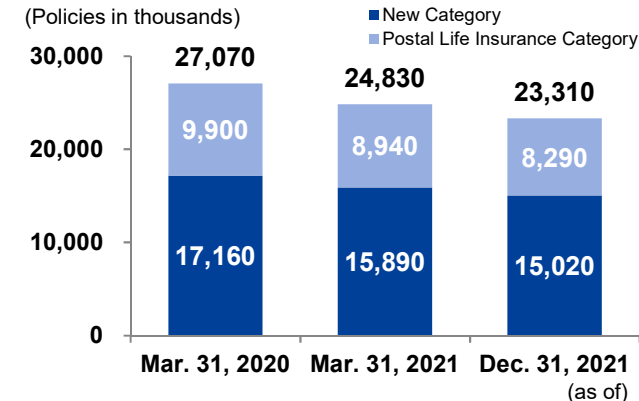
### Annualized Premiums from Policies in Force (Medical Care)

(Billions of yen)



### Number of Policies in Force (Individual Insurance)

(Policies in thousands)



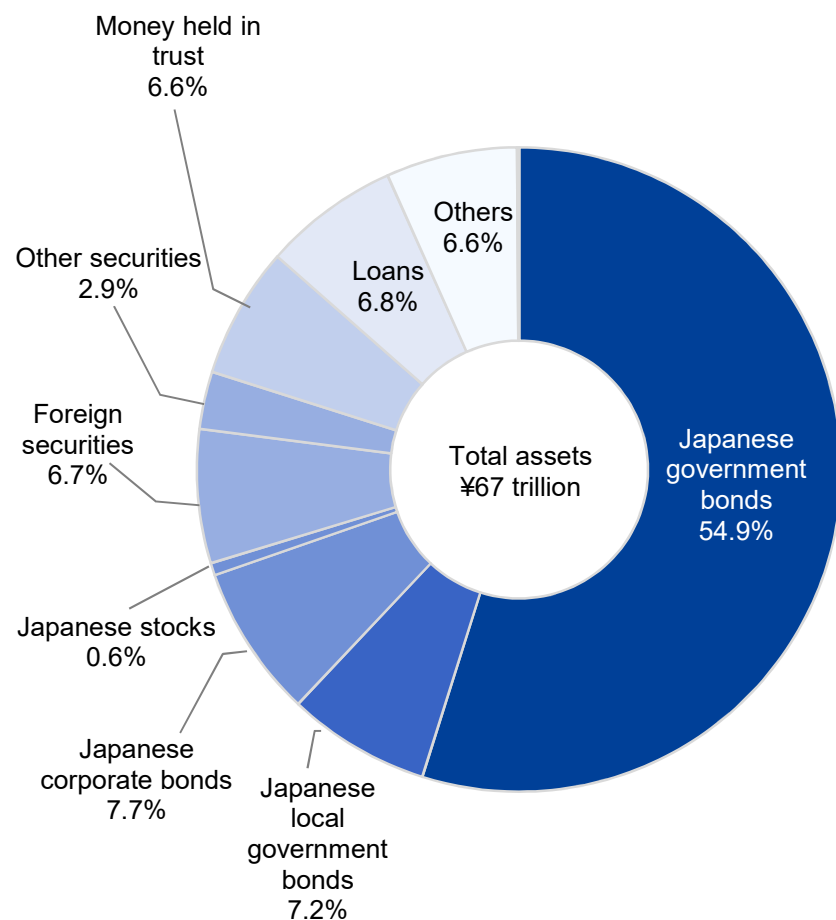
Notes: 1. Figures less than ¥0.1 billion are rounded down, and number of policies is rounded down to the nearest ten thousand.

2. Annualized premiums are calculated by multiplying the amount of a single premium installment payment by a multiplier determined according to the relevant payment method to arrive at a single annualized amount. For lump-sum payments, annualized premiums are calculated by dividing the total premium by the insured period.

Annualized premiums for individual insurance include those for medical care. Annualized premiums for medical care are the total of those for individual insurance and individual annuity insurance.

3. "New Category" shows individual insurance policies underwritten by Japan Post Insurance. "Postal Life Insurance Category" shows Postal Life Insurance Policies reinsured by Japan Post Insurance from the Organization for Postal Savings, Postal Life Insurance and Post Office Network.

(Billions of yen)



|                                 | As of<br>Dec. 31, 2021 | Composition<br>ratio (%) | As of<br>Mar. 31,<br>2021 | Composition<br>ratio (%) | Change    |
|---------------------------------|------------------------|--------------------------|---------------------------|--------------------------|-----------|
| Securities                      | <b>53,763.4</b>        | <b>80.0</b>              | 55,273.6                  | 78.8                     | (1,510.1) |
| Japanese government bonds       | <b>36,906.0</b>        | <b>54.9</b>              | 37,345.6                  | 53.2                     | (439.6)   |
| Japanese local government bonds | <b>4,823.2</b>         | <b>7.2</b>               | 5,593.5                   | 8.0                      | (770.2)   |
| Japanese corporate bonds        | <b>5,151.6</b>         | <b>7.7</b>               | 5,325.2                   | 7.6                      | (173.5)   |
| Japanese stocks                 | <b>418.9</b>           | <b>0.6</b>               | 403.5                     | 0.6                      | + 15.3    |
| Foreign securities              | <b>4,514.6</b>         | <b>6.7</b>               | 4,632.3                   | 6.6                      | (117.6)   |
| Other securities                | <b>1,948.8</b>         | <b>2.9</b>               | 1,973.1                   | 2.8                      | (24.3)    |
| Money held in trust             | <b>4,434.4</b>         | <b>6.6</b>               | 4,189.2                   | 6.0                      | + 245.1   |
| Loans                           | <b>4,583.5</b>         | <b>6.8</b>               | 4,964.0                   | 7.1                      | (380.5)   |
| Others                          | <b>4,431.0</b>         | <b>6.6</b>               | 5,745.9                   | 8.2                      | (1,314.9) |
| <b>Total assets</b>             | <b>67,212.4</b>        | <b>100.0</b>             | 70,172.9                  | 100.0                    | (2,960.5) |

# Japan Post Holdings:

Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022



## ■ Financial Results Forecast

### Japan Post Insurance has revised its forecast upward, while Japan Post Holdings has left its forecast unchanged

- ✓ Japan Post Insurance has revised its forecast upward in view of higher than anticipated investment income due to an upturn in the investment environment, and an expected decrease in operating expenses.
- ✓ Japan Post Holdings has left its forecast unchanged upon a comprehensive consideration of factors including the fact that the impact of the upward revision by Japan Post Insurance is insignificant, and the fact that its other subsidiaries have left their forecasts unchanged.

(Billions of yen)

|                                     | Net ordinary income | Change                             | Net income | Change                             |
|-------------------------------------|---------------------|------------------------------------|------------|------------------------------------|
|                                     |                     | (vs. forecast as of November 2021) |            | (vs. forecast as of November 2021) |
| Japan Post Holdings (Consolidated)  | 920.0               | -                                  | 480.0      | -                                  |
| Japan Post Co. (Consolidated)       | 135.0               | -                                  | 80.0       | -                                  |
| Japan Post Bank (Consolidated)      | 485.0               | -                                  | 350.0      | -                                  |
| Japan Post Insurance (Consolidated) | 360.0               | + 70.0                             | 154.0      | + 36.0                             |

Notes: 1. The amounts of net income attributable to Japan Post Holdings, net income attributable to Japan Post Co., net income attributable to Japan Post Bank and net income attributable to Japan Post Insurance have been used for net income of Japan Post Holdings (consolidated), Japan Post Co. (consolidated), Japan Post Bank (consolidated) and Japan Post Insurance (consolidated), respectively.

2. Net income of Japan Post Holdings (consolidated) is calculated based on the ratio of equity currently held by Japan Post Holdings in Japan Post Bank (approximately 89%) and Japan Post Insurance (approximately 49.9%), etc.

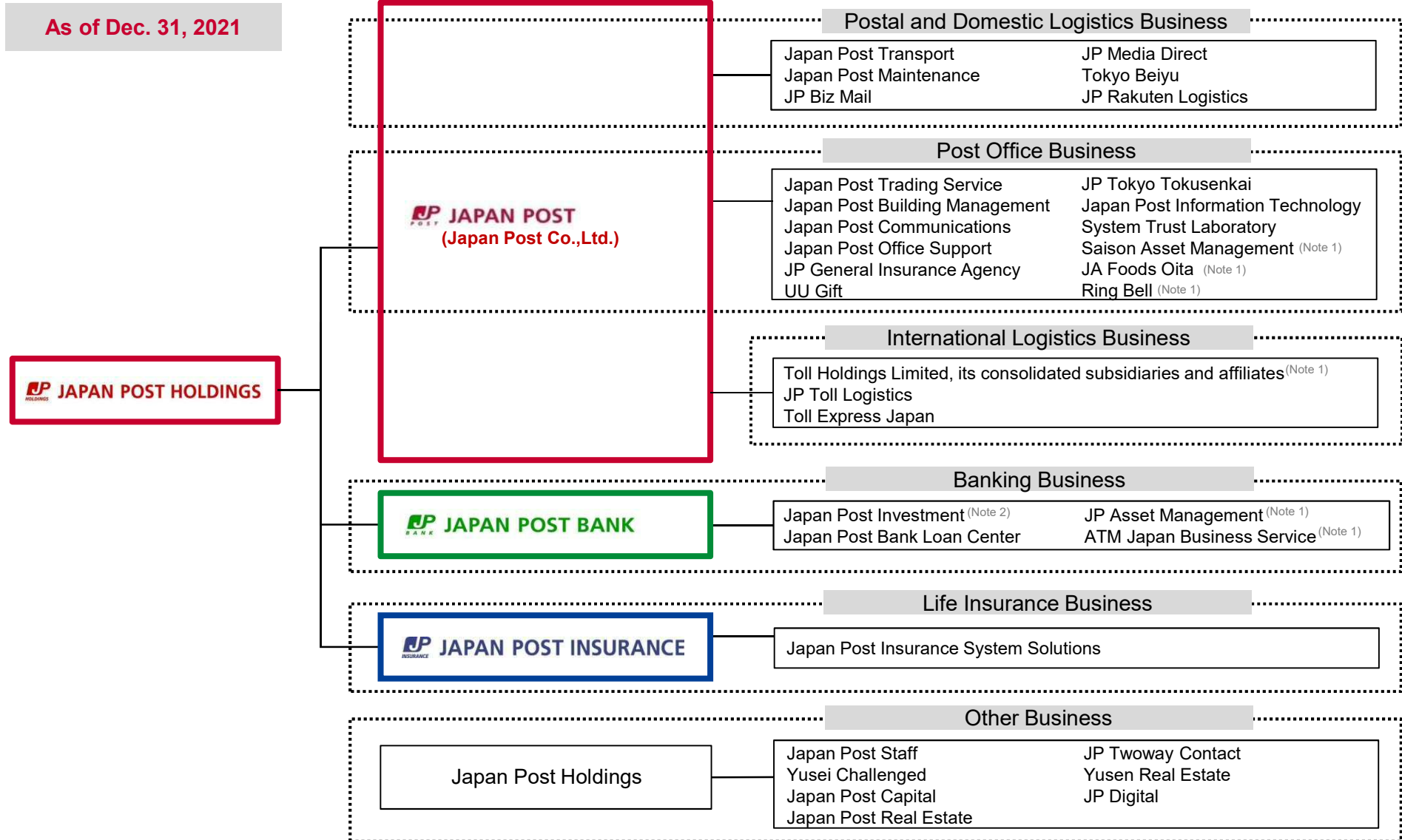
## ■ Dividends Forecast

No revisions have been made to the dividends forecast.

| Dividend per share | Interim dividend | Year-end dividend |
|--------------------|------------------|-------------------|
| 50 yen             | 0 yen            | 50 yen            |

Note: In accordance with Article 11 of the Act on Japan Post Holdings Co., Ltd., payment of dividends from retained earnings or other appropriation of retained earnings (excluding disposition of loss) of Japan Post Holdings shall not be effective without the approval of the Minister for Internal Affairs and Communications.

# [Appendix 1] Japan Post Holdings: Organization Chart



Notes: 1. Affiliates accounted for by the equity method.  
2. Including its consolidated subsidiaries.

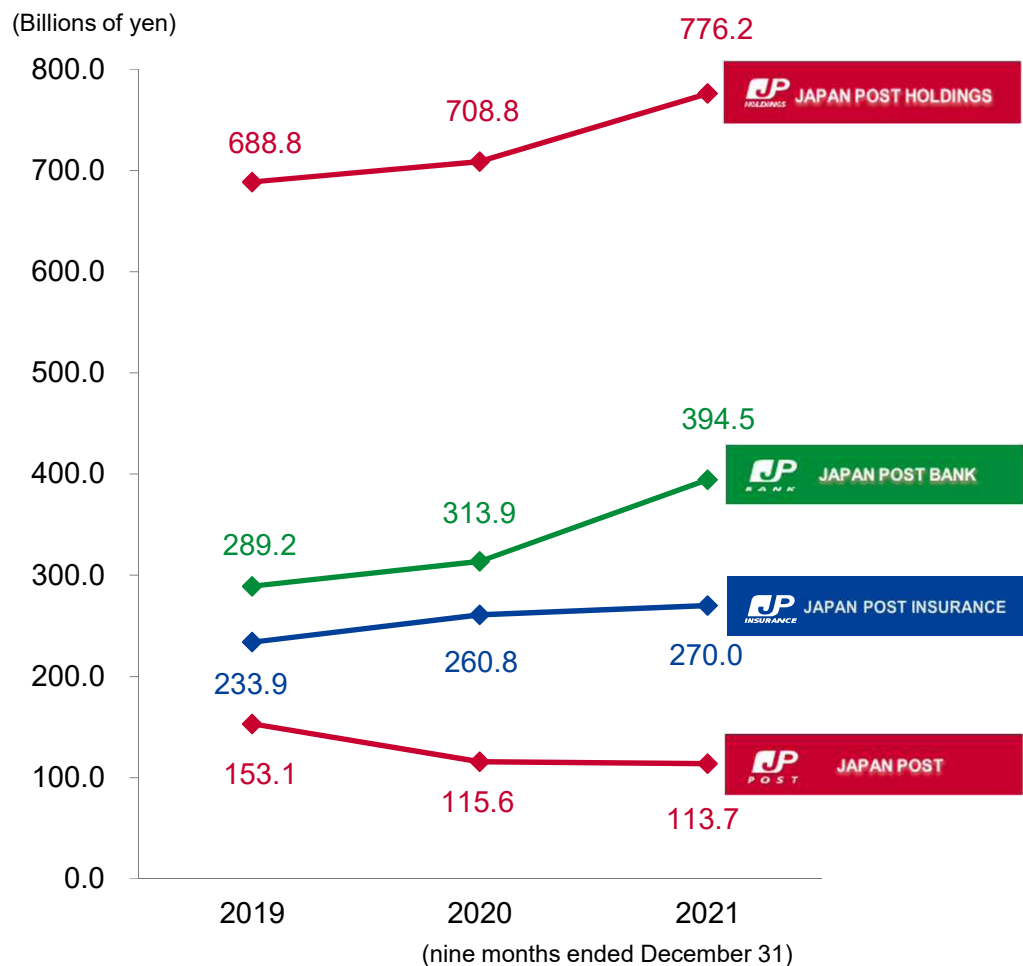
# [Appendix 2] Japan Post Co. (Consolidated): Quarterly Consolidated Statements of Income

|   |                             |   |   |                        |   |   |                        | (Billions of yen)                                       |   |                        |
|---|-----------------------------|---|---|------------------------|---|---|------------------------|---|---|------------------------|
|   |                             | For the three-month<br>period from Apr. to<br>Jun. 2021 | For the three-month<br>period from Apr. to<br>Jun. 2020 | Year-on-year<br>change | For the three-month<br>period from Jul. to<br>Sep. 2021 | For the three-month<br>period from Jul. to<br>Sep. 2020 | Year-on-year<br>change | For the three-month<br>period from Oct. to<br>Dec. 2021 | For the three-month<br>period from Oct. to<br>Dec. 2020 | Year-on-year<br>change |
| <b>Japan Post Co.<br/>(Consolidated)</b>                  | Operating income            | 902.2   | 925.8   | (23.5)                 | 883.3   | 919.8   | (36.4)                 | 972.8   | 1,057.9   | (85.0)                 |
|   | Operating expenses          | 865.3   | 905.3   | (39.9)                 | 881.6   | 922.2   | (40.5)                 | 891.9   | 955.4   | (63.5)                 |
|   | Personnel expenses          | 559.4   | 561.2   | (1.7)                  | 555.0   | 565.3   | (10.3)                 | 555.4   | 575.6   | (20.2)                 |
|   | Other expenses              | 305.9   | 344.1   | (38.2)                 | 326.6   | 356.9   | (30.2)                 | 336.5   | 379.8   | (43.2)                 |
|   | Net operating income (loss) | 36.8  | 20.4  | + 16.3                 | 1.7   | (2.4)   | + 4.1                  | 80.8  | 102.4   | (21.5)                 |
| <b>Postal and<br/>Domestic<br/>Logistics<br/>Business</b> | Operating income            | 488.5   | 490.1   | (1.6)                  | 465.5   | 472.5   | (7.0)                  | 569.4   | 590.5   | (21.1)                 |
|   | Operating expenses          | 468.1   | 474.7   | (6.5)                  | 478.6   | 481.4   | (2.8)                  | 505.3   | 510.2   | (4.9)                  |
|   | Personnel expenses          | 300.6   | 305.1   | (4.5)                  | 303.3   | 306.8   | (3.4)                  | 310.9   | 314.6   | (3.7)                  |
|   | Other expenses              | 167.5   | 169.6   | (2.0)                  | 175.2   | 174.5   | + 0.6                  | 194.4   | 195.5   | (1.1)                  |
|   | Net operating income (loss) | 20.3  | 15.4  | + 4.9                  | (13.1)  | (8.9)   | (4.2)                  | 64.0  | 80.2  | (16.2)                 |
| <b>Post Office<br/>Business</b>                           | Operating income            | 286.2   | 303.9   | (17.6)                 | 286.6   | 312.7   | (26.0)                 | 300.5   | 337.9   | (37.4)                 |
|   | Operating expenses          | 274.8   | 289.1   | (14.3)                 | 278.4   | 304.6   | (26.2)                 | 291.0   | 319.1   | (28.0)                 |
|   | Personnel expenses          | 208.4   | 209.6   | (1.2)                  | 207.6   | 209.7   | (2.1)                  | 210.0   | 211.5   | (1.5)                  |
|   | Other expenses              | 66.4  | 79.5  | (13.1)                 | 70.8  | 94.9  | (24.1)                 | 81.0  | 107.5   | (26.5)                 |
|   | Net operating income        | 11.3  | 14.7  | (3.3)                  | 8.2   | 8.0   | + 0.1                  | 9.4   | 18.7  | (9.3)                  |
| <b>International<br/>Logistics<br/>Business</b>           | Operating income            | 181.1   | 185.6   | (4.4)                  | 185.6   | 188.0   | (2.3)                  | 163.4   | 190.5   | (27.0)                 |
|   | Operating expenses          | 174.6   | 193.8   | (19.1)                 | 176.7   | 185.9   | (9.2)                  | 156.0   | 185.1   | (29.0)                 |
|   | Personnel expenses          | 50.3  | 46.3  | + 3.9                  | 43.9  | 48.6  | (4.7)                  | 34.5  | 49.4  | (14.9)                 |
|   | Other expenses              | 124.2   | 147.4   | (23.1)                 | 132.7   | 137.3   | (4.5)                  | 121.5   | 135.7   | (14.1)                 |
|   | Net operating income (loss) | 6.5   | (8.2)   | + 14.7                 | 8.9   | 2.0   | + 6.9                  | 7.4   | 5.3   | + 2.0                  |

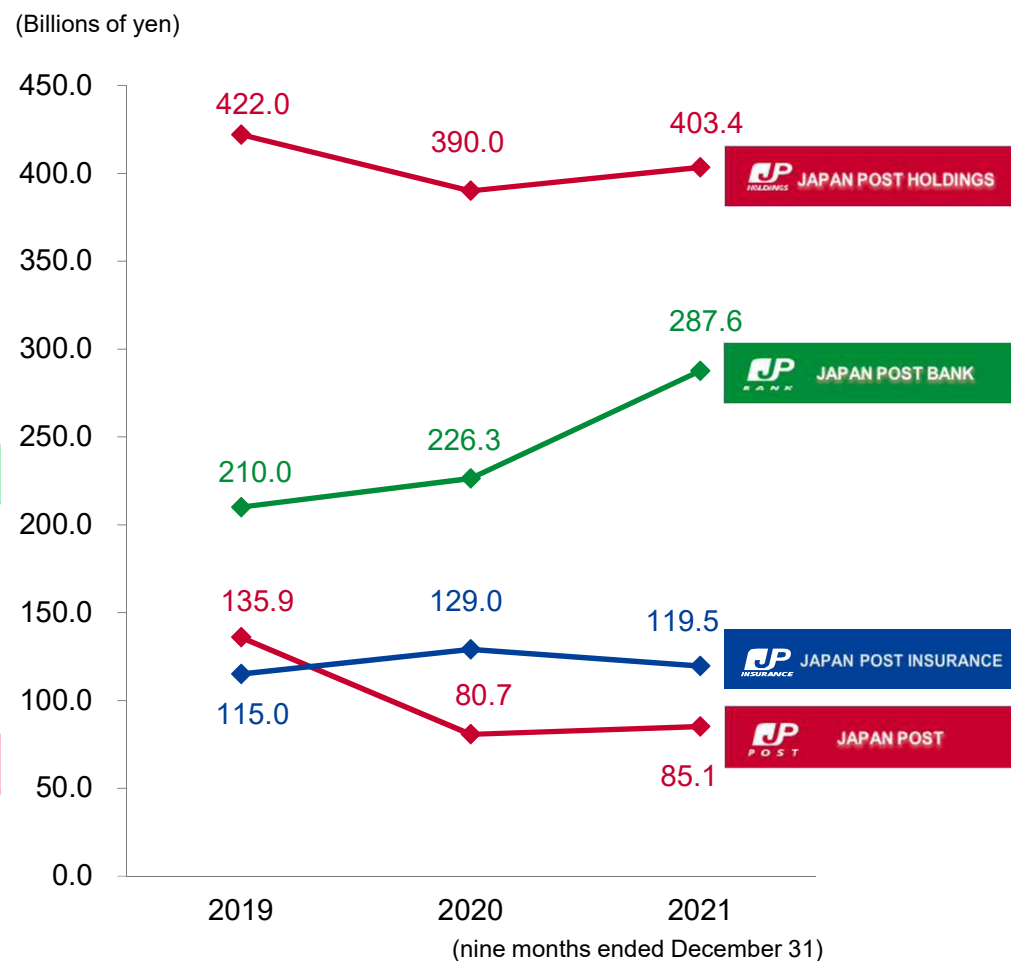
Note: Figures for the international logistics business for the three-month periods from July to September and from October to December were calculated by subtracting the accumulated figures in billions of yen until each previous quarter's end (translated by the average exchange rate for the corresponding period) from the accumulated figures in billions of yen until each quarter's end (translated by the average exchange rate for the corresponding period).

# [Appendix 3] Trends in Net Ordinary Income and Net Income

**Trends in Net Ordinary Income**



**Trends in Net Income**





Forecasts and other forward-looking statements presented in this document are based on information that Japan Post Holdings Co., Ltd. (the “Company”) is aware of at present and certain assumptions that the Company has deemed reasonable, and the Company provides no assurance that the forecasts will be achieved or with respect to any other forward-looking statements. The actual future results may vary considerably depending upon various factors, such as the impact of the spread of COVID-19, interest rate fluctuations, stock price fluctuations, foreign exchange fluctuations, asset value fluctuations, changes in the economic and financial environment, changes in the competitive environment, the occurrence of large-scale disasters, etc. and changes in laws and regulations. The Company disclaims any responsibility to update any forward-looking statements contained herein to the extent permitted by law or stock exchange rule.